

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2019-077-00315R

Parcel No. 100/01503-066-000

Julie Cartwright (Julie D Cartwright Revocable Trust),

Appellant,

vs.

Polk County Board of Review,

Appellee.

Introduction

The appeal came on for written consideration before the Property Assessment Appeal Board (PAAB) on January 3, 2020. Julie Cartwright is self-represented and asked that the appeal proceed without a hearing. Assistant Polk County Attorney Mark Taylor represents the County Board of Review.

The Julie D Cartwright Revocable Trust owns a residential property located at 4206 42nd Street, Des Moines, Iowa. Its January 1, 2019 assessment was set at \$180,800, allocated as \$36,500 in land value and \$144,300 in building value. (Ex. A).

Cartwright petitioned the Board of Review contending her assessment was not equitable as compared with assessments of other like property. Iowa Code § 441.37(1)(a)(1) (2019). The Board of Review granted the petition and modified the building value to \$134,500, and set the total assessment at \$171,000. (Ex. B).

Cartwright then appealed to PAAB re-asserting her claim.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may

consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R. 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it.

§ 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

Findings of Fact

The subject property is a one-story brick home built in 1959. It has 1343 square feet of gross living area, a full basement with 500 square feet of low quality finish, and a small open porch. The improvements are listed in normal condition with a 4+05 grade (average quality). There is also a two-car detached garage built in 1979. (Ex. A).

Cartwright listed four properties on her petition to the Board of Review that she believes demonstrate her property is inequitably assessed. (Exs. C & 1-8). The following table is a summary of the properties.

Comparable Properties	Gross Living Area (SF)	Basement Finish (SF)	Grade	2018 Assessed Value	2019 Assessed Value
Subject	1343	500 Low	4+05	\$146,700	\$171,000
1 - 4200 42nd St	1040	100 Avg+	4+00	\$144,500	\$160,100
2 - 4200 Aurora Ave	1093	460 Low	4+05	\$145,700	\$161,200
3 - 4301 Aurora Ave	1098	144 Low	4+05	\$151,900	\$167,800
4 - 4041 43rd St	988	700 Avg+	4+00	\$145,600	\$161,600

None of these properties have recently sold and Cartwright did not provide an opinion of actual value of her property as of January 1, 2019.

Cartwright asserts her property is assessed higher than these nearby properties and in comparison her assessment increased at a higher rate year-over-year. (Appeal) Cartwright asserts her assessment should be \$161,370 based on the total assessed value of these four properties.

The Board of Review acknowledged Cartwright's comparable properties are in close proximity and similar to her home but there are distinctions accounting for the differences in value. (Ex. D, p. 2).

All of the properties are one-story homes built between 1956 and 1959 with similar grade ratings. Comparables 1-3 have a two-car, detached garage like the subject, and Comparable 4 has a one-car, detached garage. This, however, is where the similarities end.

All of Cartwright's comparable properties are between roughly 250 to 350 square feet smaller than the subject property, resulting in their lower assessed values. (Exs. 1-8). Additionally, the subject property's exterior is 99% brick, whereas all of the comparable properties have wood or metal siding. The subject's brick exterior adds roughly \$9600¹ to the total assessed value. This factor alone explains the majority of the difference in assessed values between the subject property and Cartwright's comparables.

Analysis & Conclusions of Law

Cartwright contends the subject property is inequitably assessed as provided under Iowa Code section 441.37(1)(a)(1). Cartwright bears the burden of proof. § 441.21(3).

To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Here, we find Cartwright did not demonstrate the Assessor applied an assessing method in a non-uniform manner.

Alternatively, a taxpayer may show the property is assessed higher proportionately than other like properties using criteria set forth in *Maxwell v. Shivers*, 133 N.W.2d 709, 711 (Iowa 1965). The *Maxwell* test provides inequity exists when, after considering the actual and assessed values of similar properties, the subject property is

¹ \$12,671 Replacement Cost New of brick exterior X 0.69 (physical depreciation) X 1.10 Neighborhood adjustment = \$9600 depreciated value rounded.

assessed at a higher proportion of its actual value. *Id.* This is commonly done through an assessment/sales ratio analysis comparing prior year sales (2018) and current year assessments (2019) of the subject property and comparable properties. It is insufficient to simply compare the subject property's assessed value to the assessments of other properties or to compare the rate of change in assessment amongst properties.

Cartwright submitted four comparable properties but none have recently sold and we cannot develop the *Maxwell* ratio analysis for these properties. While facially Cartwright's selected comparables are similar to her property in style and location, for the reasons previously discussed there are distinctions that affect the cost of the properties resulting in their lower assessments compared to hers.

The *Maxwell* analysis also cannot be completed because a ratio also needs to be developed for the subject property. The subject property did not recently sell, nor did Cartwright offer evidence of its January 1, 2019, market value that is consistent with section 441.21.² Both a ratio for similar properties as well as the subject property is required in order to determine if the subject property is assessed at a higher proportion of its actual value than other similarly situated properties.

Viewing the record as a whole, we find Cartwright failed to prove the subject property's assessed value is inequitable.

Order

PAAB HEREBY AFFIRMS the Polk County Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2019).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

² Iowa Code section 441.21 requires that a property's assessed value be determined, first and foremost, by sales of the subject property or comparable properties.

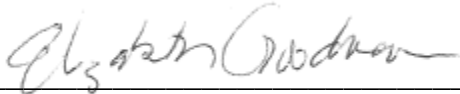
Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.



Karen Oberman, Board Member



Dennis Loll, Board Member



Elizabeth Goodman, Board Member

Copies to:

Julie Cartwright by eFile

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